

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

JANUARY 5, 2000

ORIGINAL

IN RE:)	
UNITED TELEPHONE-SOUTHEAST, INC.)	DOCKET NO. 99-00174
TARIFF TO OFFER SPECIAL CONTRACT)	
ARRANGEMENT FOR SONET RING)	
)	

ORDER APPROVING SPECIAL CONTRACT ARRANGEMENT

This matter came before the Tennessee Regulatory Authority ("Authority") for consideration of Tariff No. 99-00174 filed on March 10, 1999 by United Telephone-Southeast, Inc. ("United"). The Tariff had a proposed effective date of April 9, 1999.

United's tariff was filed in order to provide a special contract arrangement to East Tennessee State University ("ETSU") as authorized by Section 5 of United's General Subscriber Tariffs and pursuant to Authority Rule 1220-4-1-07. The instant tariff provides for the installation and service of a Fiber SONET Ring that is not otherwise offered under United's General Subscriber Tariffs.

The Directors of the Authority considered this matter at a regularly scheduled Authority Conference on April 6, 1999. Based upon careful consideration of the tariff filing and the attachments thereto, the Authority finds and concludes the following:

1. There is not an existing tariff that offers this service to East Tennessee State University. United offered ETSU several alternative term plans, and due to the charges involved, ETSU opted for the seven-year term.

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2. As the proposed Fiber SONET Ring does not presently exist, United will incur special construction charges that will necessitate a sizable capital investment in addition to the substantial costs initially required to put together both the contract and this service.

3. United has not priced this service below the price floor. According to the cost data that was filed by the company, the revenues generated by this tariff will cover the long-run incremental cost of the services provided.

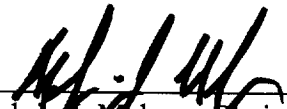
4. The termination charges appear to be reasonable.


5. No petitions to intervene have been filed by any party.

Based on the forgoing, this special contract arrangement is in compliance with applicable state law as well as the rules of the Authority, and is consistent with the public interest. Accordingly, the Authority determines that United's tariff is approved effective immediately.

IT IS THEREFORE ORDERED THAT:

1. United Telephone-Southeast, Inc.'s Tariff No. 99-00174, to offer a special contract arrangement, is approved.


Melvin J. Malone, Chairman


H. Lynn Greer, Jr., Director


Sara Kyle, Director

ATTEST:


K. David Waddell, Executive Secretary

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